

SECOND REGULAR SESSION

HOUSE BILL NO. 2080

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHAUL.

4209H.02I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 313.800 and 572.015, RSMo, and to enact in lieu thereof twenty-five new sections relating to gaming, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 313.800 and 572.015, RSMo, are repealed and twenty-five new sections enacted in lieu thereof, to be known as sections 313.360, 313.425, 313.427, 313.429, 313.431, 313.433, 313.434, 313.435, 313.437, 313.800, 313.1000, 313.1002, 313.1003, 313.1004, 313.1006, 313.1008, 313.1010, 313.1012, 313.1014, 313.1016, 313.1018, 313.1021, 313.1022, 313.1024, and 572.015, to read as follows:

313.360. Notwithstanding any other provision of law to the contrary, the commission may incur fees when accepting debit cards or other electronic payment methods for the sale of lottery game plays.

313.425. Sections 313.425 to 313.437 shall be known and may be cited as the "Missouri Video Lottery Control Act" and shall establish the regulatory framework for the use of player-activated video terminals for the conduct of lottery games.

313.427. As used in sections 313.425 to 313.437, the following words and phrases mean:

(1) "Centralized computer system", a computerized system developed or procured by the commission that video lottery game terminals are connected to using standard industry protocols that can activate or deactivate a particular video lottery game terminal from a remote location and that is capable of monitoring and auditing video lottery game plays;

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

8 (2) "Commission" or "lottery commission", the body appointed by the governor
9 to manage and oversee the lottery under section 313.215;

10 (3) "Fraternal organization", any organization within this state operating under
11 the lodge system that exists for the common benefit, brotherhood, or other interest of its
12 members, except college fraternities and sororities, of which no part of the net earnings
13 inures to the benefit of any private shareholder or any individual member of such
14 organization; that has been exempted from the payment of federal income tax; and that
15 derives its charter from a national fraternal organization that meets regularly;

16 (4) "Truck stop", a location that provides parking and is equipped for fueling
17 commercial vehicles; that has sold on average at least ten thousand gallons of diesel or
18 biodiesel fuel each month for the previous twelve months or is projected to sell an
19 average of at least ten thousand gallons of diesel or biodiesel fuel each month for the
20 next twelve months; that is situated on two or more acres of land; that operates a
21 convenience store; and that obtains and maintains a lottery game retailer license issued
22 by the commission to offer lottery games played on video lottery game terminals;

23 (5) "Veterans' organization", a post or organization of veterans, or an auxiliary
24 unit or society of, or a trust or foundation for, any such post or organization organized
25 in the United States or any of its possessions in which at least seventy-five percent of the
26 members are veterans of the United States Armed Forces and substantially all of the
27 other members are veterans or cadets, or are spouses, widows, or widowers of war
28 veterans, in which no part of the net earnings inures to the benefit of any private
29 shareholder or individual, and which has been exempted from payment of federal
30 income taxes;

31 (6) "Video lottery game", any lottery game approved by the commission for play
32 on a video lottery game terminal using video lottery game terminal credits that have
33 been purchased with cash, cash equivalents, or with a winning video lottery game
34 terminal ticket;

35 (7) "Video lottery game adjusted gross receipts", the total of cash or cash
36 equivalents used for the play of a video lottery game on a video lottery game terminal
37 minus cash or cash equivalents paid to players as a result of playing video lottery games
38 on a video lottery game terminal;

39 (8) "Video lottery game handler", a person employed by a licensed video lottery
40 game operator and who is licensed by the commission to handle, place, operate, and
41 service video lottery game terminals and associated equipment;

42 (9) "Video lottery game manufacturer" or "distributor", any person licensed by
43 the commission that manufactures video lottery game terminals or major parts and
44 components for video lottery game terminals as approved by the lottery commission for

45 sale to licensed video lottery game operators, or a person licensed by the commission to
46 distribute or service video lottery game terminals or major parts and components of
47 video lottery game terminals, including buying, selling, leasing, renting, or financing
48 new, used, or refurbished video lottery game terminals to and from licensed video
49 lottery game manufacturers and licensed video lottery game operators;

50 (10) "Video lottery game operator", a person licensed by the commission that
51 owns, rents, or leases and services or maintains video lottery game terminals for
52 placement in licensed video lottery game retailer establishments;

53 (11) "Video lottery game retailer":

54 (a) A retail establishment meeting the requirements of a lottery game retailer
55 under section 313.260 that secures and maintains a license to conduct video lottery
56 games played on a video lottery game terminal or terminals and that is a fraternal
57 organization, veterans organization, or truck stop;

58 (b) Any entity that secures and maintains a license to conduct video lottery
59 games played on a video lottery game terminal or terminals and is licensed under
60 chapter 311 to sell liquor by the drink for on-premises consumption;

61 (12) "Video lottery game terminal", a player-activated terminal that exchanges
62 coins, currency, tickets, ticket vouchers, or electronic payment methods approved by the
63 commission for credit on a video lottery game terminal used to play video lottery games
64 approved by the commission. Such video lottery game terminals shall use a video
65 display and microprocessor capable of randomly generating the outcome of video
66 lottery games and be capable of printing and issuing a ticket at the conclusion of any
67 video lottery game play that may be redeemed at a video lottery game ticket redemption
68 terminal or reinserted into a video lottery game terminal for video lottery game credit
69 and game plays. All video lottery games approved by the commission for play on a
70 video lottery game terminal shall have a minimum theoretical payout of eighty-five
71 percent;

72 (13) "Video lottery game terminal credit", one cent, five cents, ten cents, or
73 twenty-five cents either won or purchased by a player on a video lottery game terminal
74 that may be used to play video lottery games and that may be converted into a video
75 lottery game ticket;

76 (14) "Video lottery game ticket" or "ticket", a document printed at the
77 conclusion of any video lottery game play or group of plays on a video lottery game
78 terminal that is redeemable for cash using a video lottery game ticket redemption
79 terminal or that may be reinserted into a video lottery game terminal in the
80 establishment from which such ticket is issued for video lottery game terminal credit;

81 **(15) "Video lottery game ticket redemption terminal", the collective hardware,**
82 **software, communications technology, and other ancillary equipment used to facilitate**
83 **the payment of tickets cashed out by players as a result of playing a video lottery game**
84 **terminal.**

313.429. 1. (1) Except as provided in subdivision (2) of this subsection, the
2 **commission shall implement a system of video lottery game terminals using a licensing**
3 **structure for processing license applications and issuing licenses to video lottery game**
4 **manufacturers, video lottery game distributors, video lottery game operators, video**
5 **lottery game handlers, and video lottery game retailers for the conduct of lottery games**
6 **using video lottery game terminals within the state.**

7 **(2) No person licensed as a:**

8 **(a) Video lottery game manufacturer or a video lottery game distributor shall be**
9 **issued a license as a video lottery game operator or video lottery game retailer;**

10 **(b) Video lottery game operator shall be issued a license as a video lottery game**
11 **manufacturer, video lottery game distributor, or video lottery game retailer; and**

12 **(c) Video lottery game retailer shall be issued a license as a video lottery game**
13 **manufacturer, video lottery game distributor, or video lottery game operator.**

14 **(3) Nothing in this subsection shall prevent a video lottery game manufacturer**
15 **from obtaining a video lottery game manufacturer's license and a video lottery game**
16 **distributor's license and providing and operating the centralized computer system for**
17 **monitoring video lottery game terminals.**

18 **2. Under no circumstances shall the commission:**

19 **(1) Authorize or allow a single vendor or licensee to implement the system of**
20 **video lottery game terminals created under this section; or**

21 **(2) Allow a single licensed video lottery game operator to control or operate**
22 **more than twenty-five percent of video lottery game terminals in the state after**
23 **December 31, 2026.**

24 **3. (1) The video lottery game system authorized by this section shall allow for**
25 **multiple video lottery game manufacturers, video lottery game distributors, and video**
26 **lottery game operators to encourage private sector investment and job opportunities for**
27 **Missouri citizens. Video lottery game terminals shall be connected to a central**
28 **computer system developed or procured by the commission. The commission shall**
29 **provide licensed video lottery game operators with the necessary protocols to connect**
30 **the operators' video lottery game terminal or terminals to the centralized computer**
31 **system after such terminal or terminals have been approved by the commission. No**
32 **video lottery game terminal shall be placed in operation without first connecting to the**
33 **centralized computer system after such terminal or terminals have been approved by**

34 the commission. A vendor that provides the centralized computer system authorized
35 under this subsection shall not be eligible to be licensed as a video lottery game operator
36 or video lottery game retailer. The commission may impose an initial nonrefundable
37 license application fee to cover the cost of investigating the background of the licensee,
38 including a criminal background check, as follows:

39 (a) For video lottery game manufacturers, video lottery game distributors, and
40 video lottery game operators, no more than fifteen thousand dollars;

41 (b) For video lottery game retailer establishments, no more than five hundred
42 dollars; or

43 (c) For video lottery game handlers, no more than one hundred dollars.

44 (2) The initial license shall be for a period of one year. Thereafter, license
45 renewal periods shall be four years with the applicable annual renewal fee paid for each
46 year of such license renewal in advance. Annual license renewal fees for anyone licensed
47 under this subsection and subsequent to the initial one-year period shall be as follows:

48 (a) Five thousand dollars for video lottery game manufacturers, video lottery
49 game distributors, and video lottery game operators;

50 (b) Fifty dollars for video lottery game handlers; and

51 (c) Five hundred dollars for each video lottery game retailer's establishment.

52 (3) In addition to the license fees imposed in subdivisions (1) and (2) of this
53 subsection, video lottery game operators shall pay the commission an annual license fee
54 of two hundred dollars for each video lottery game terminal placed in service. Such
55 video lottery game terminal license shall be renewed each year and cost two hundred
56 dollars. A license issued under this subsection is nontransferable.

57 (4) Nothing in this subsection shall be construed to relieve the licensee of the
58 affirmative duty to notify the commission of any change relating to the status of the
59 license or to any other information contained in the application materials on file with
60 the commission.

61 4. No license shall be issued to any person, and no person shall be allowed to
62 serve as a sales agent, who has been convicted of a felony or a crime involving illegal
63 gambling. Sales agents shall be registered with the commission by a licensed operator
64 and shall not solicit or enter into a contract with a lottery game retailer prior to such
65 retailer being licensed to conduct video lottery games on video lottery game terminals.

66 5. No license requirement, sticker fee, or tax shall be imposed by any local
67 jurisdiction upon a video lottery game manufacturer, video lottery game distributor,
68 video lottery game operator, video lottery game retailer, video lottery game handler, or
69 video lottery game terminal or an establishment relating to the operation of video
70 lottery games, video lottery game terminals, or associated equipment.

71 **6. (1) Video lottery game terminals shall meet independent testing standards**
72 **approved by the commission, as tested by one or more approved independent test labs,**
73 **and be capable of randomly generating the outcome of video lottery games approved by**
74 **the commission. Video lottery game terminals shall be capable of printing a ticket**
75 **redeemable for winning video lottery game plays. Such video lottery game terminals**
76 **shall be inspected and approved by the commission prior to being sold, leased, or**
77 **transferred.**

78 **(2) Licensed video lottery game manufacturers may buy, sell, or lease new or**
79 **refurbished video lottery game terminals to and from licensed video lottery game**
80 **distributors.**

81 **(3) Licensed video lottery game distributors may buy, sell, or lease new or**
82 **refurbished video lottery game terminals to or from licensed video lottery game**
83 **manufacturers or licensed video lottery game operators.**

84 **7. (1) Licensed video lottery game operators:**

85 **(a) May buy, lease, or rent video lottery game terminals from licensed video**
86 **lottery game manufacturers, operators, or distributors;**

87 **(b) May handle, place, and service video lottery game terminals;**

88 **(c) Shall connect such video lottery game terminals to the centralized computer**
89 **system approved by the commission; and**

90 **(d) Shall, notwithstanding the provisions of section 313.321 to the contrary, pay**
91 **all video lottery game winnings using a video lottery game ticket redemption terminal.**
92 **Such video lottery ticket redemption terminal shall be located within the video lottery**
93 **game retailer's establishment in direct proximity to such video lottery games. Video**
94 **lottery game operators shall pay the commission thirty-two percent of any unclaimed**
95 **cash prize associated with a winning ticket that has not been redeemed within one**
96 **hundred eighty days of issue.**

97 **(2) Rents or leases for video lottery game terminals shall be written at a flat rate**
98 **and shall not include revenue splitting as a method used in the calculation of the lease or**
99 **rent.**

100 **(3) Licensed video lottery game operators and licensed video lottery game**
101 **retailers shall enter into a written agreement for the placement of video lottery game**
102 **terminals. The agreement shall be on a form approved by the commission, shall specify**
103 **an equal division of adjusted gross receipts between the video lottery game operator and**
104 **the video lottery game retailer after adjustments for taxes and administrative fees are**
105 **made, shall have a minimum term of five years and a maximum term of ten years, and**
106 **shall be renewable for a term of a minimum of five additional years. A video lottery**
107 **game operator shall be responsible for remitting to the commission and the video lottery**

game retailer its share of adjusted gross receipts. Nothing in this subdivision shall prohibit a licensed video lottery game operator from entering into an agreement with a sales agent for retailer agreements, provided such agreement is in writing and approved by the commission prior to beginning sales activities and prior to the start date established under section 313.431. Video lottery game operators and their sales agents and affiliates and video lottery game retailers are specifically prohibited from offering anything of value, other than the percentage of adjusted gross receipts provided under this subsection, or entering into an agreement with a retailer prior to the start date for the initial or continued placement of video lottery game terminals, except that a video lottery game operator may pay for construction of a video lottery terminal area inside the premises of a video lottery gaming retailer. Contract agreements entered into prior to the start date established under section 313.431 between a prospective video lottery game terminal operator or sales agent and a prospective video lottery game retailer shall be invalid.

(4) To combat problem gambling, video lottery game operators shall allow players to be self-excluded from video lottery game play. Operators shall provide the commission with a list of players that have elected to be self-excluded from video lottery game play within thirty days of such election and shall update such list periodically as required by the commission. Such self-excluded list shall be considered confidential information and shall not be released to the public. The commission shall issue such self-exclusion procedures by rule.

(5) Nothing in this section shall be construed to prevent a video lottery game operator or a video lottery retailer from using a player rewards system as approved by the commission. No player shall be required to enroll in a rewards program offered by a video lottery game operator or video lottery game retailer as a condition to play video lottery games.

8. No licensed video lottery game operator shall:

(1) Offer video lottery game terminals that directly dispense anything of value except for tickets for winning plays. Tickets shall be dispensed by pressing the ticket dispensing button on the video lottery game terminal at the end of any video lottery game play. The ticket shall indicate the total amount of video lottery game terminal credits and the cash award, the time of day in a twenty-four-hour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The cost of the video lottery game terminal credits shall be one cent, five cents, ten cents, or twenty-five cents, and the maximum wager played per video lottery

game shall not exceed five dollars with the payoff for a winning maximum wager for a single game play being no more than one thousand dollars;

(2) Operate more than ten video lottery game terminals per location on the premises of a fraternal organization, veterans organization, or truck stop that has secured and maintains a video lottery game retailer's license;

(3) Operate up to five video lottery game terminals per location on the premises of any business entity licensed as a video lottery game retailer establishment with a license issued under chapter 311 to sell liquor by the drink for on-premises consumption;

(4) Advertise video lottery games outside of a licensed video lottery game retailer's establishment through any media outlets, direct mail, or telephone solicitations. The advertising prohibition contained in this subdivision shall apply to all licensees including, but not limited to, video lottery game manufacturers, video lottery game distributors, video lottery game operators, video lottery game retailers, and video lottery game handlers; except that, a video lottery game retailer may participate in an advertising program that is promoted through and sponsored by the state lottery and may advertise in or on the outside of the establishment's building and parking lot and a video lottery game operator shall pay no more than two thousand dollars per month for the cost of such advertising; or

(5) Allow video lottery games to be played at any time when the video lottery game retailer's establishment is closed for business.

9. (1) No person under twenty-one years of age shall play video lottery games, and such video lottery game terminals shall be under the supervision of a person that is twenty-one years of age or older to prevent persons under twenty-one years of age from playing video lottery games. Video lottery game terminals shall be placed in a fully enclosed room that is continually monitored by video surveillance and where access to persons under twenty-one years of age is denied by a procedure approved by the commission. A warning sign shall be posted in a conspicuous location where such video lottery game terminals are located, containing in red lettering at least one-half inch high on a white background the following:

"YOU MUST BE AT LEAST 21 YEARS OF AGE TO PLAY VIDEO LOTTERY GAMES".

(2) In addition to the placement and supervision requirements of this subsection, a video lottery game operator shall provide video surveillance in the immediate area of the video lottery game retailer's establishment where video lottery game terminals are located. Recorded video from such surveillance system shall be made available to the commission upon request and shall be reviewed by video lottery game operators as

required by the commission for any violation of law, rules, or regulations governing the conduct of video lottery games. A video lottery game operator that fails to review such surveillance video and report any known violation of law, rules, or regulations governing the conduct of video lottery games in conformance with established commission procedures may be subject to an administrative fine not to exceed five thousand dollars. Any video lottery game retailer that fails to report any known violation of law, rules, or regulations governing the conduct of video lottery games in conformance with established commission procedures may be subject to an administrative fine not to exceed five thousand dollars. In the event a video lottery game operator or retailer is found to have knowingly committed a violation governing the conduct of video lottery games, the commission may impose an administrative fine not to exceed five thousand dollars, suspend such operator's or retailer's license for up to thirty days, or in the case of repeated violations, revoke such operator's or retailer's license for a period of one year. Any video lottery game operator or retailer aggrieved by the commission's decision in any disciplinary action that results in the suspension or revocation of such operator's or retailer's video lottery game license may appeal such decision by filing an action in circuit court. The commission shall refer a violation of the criminal code, with any evidence thereof, to the appropriate law enforcement officials.

(3) Video lottery game retailers shall provide an intrusion detection system capable of detecting unauthorized entrance of the video lottery game retailer's establishment during nonbusiness hours and shall report to the commission any unauthorized entrance of the video lottery game retailer's establishment. Such surveillance and intrusion detection system shall meet specifications as defined by the commission.

(4) A video lottery game operator shall post a sign in a conspicuous location where such video lottery game terminals are located, containing in red lettering at least one-half inch high on a white background the telephone contact number "(1-888-BETSOFF)" for the problem gambling helpline.

10. (1) Video lottery game operators shall pay the commission thirty-six percent of the video lottery game adjusted gross receipts, which shall be deposited in the state lottery fund. The commission shall transfer, subject to appropriation, the amount received from the operator from the lottery fund to the lottery proceeds fund after administrative expenses equal to four percent of the video lottery game adjusted gross receipts are paid to the municipality where a licensed video lottery game retailer maintains an establishment licensed for the operation of video lottery game terminals, or if such licensed establishment is not located within the corporate boundaries of a municipality, to the county where such licensed establishment is located to reimburse

such municipality or county for administrative expenses, and after any administrative expenses for the commission that are not covered by reimbursements from operators are deducted. Net proceeds transferred to the lottery proceeds fund shall be appropriated equally to public elementary and secondary education and public institutions of higher education with an emphasis on funding elementary and secondary education student transportation costs and public institutions of higher education workforce development programs.

(2) Video lottery game operators shall retain the remainder of the video lottery game adjusted gross receipts, a portion of which shall be used to pay for administrative expenses which shall include the cost of the centralized computer system, which cost shall be paid by video lottery game operators in proportion to the number of video lottery game terminals operated. Fifty percent of the costs of the centralized computer system shall be apportioned by the video lottery game operator among video lottery game retailers to which it provides operations based on the number of video lottery game terminals located at the video lottery game retailer's establishment. The remainder of adjusted gross receipts retained by the video lottery game operator, after the cost of the centralized computer system and administrative costs are paid and apportioned, shall be divided equally between the video lottery game operator and video lottery game retailer as agreed under subsection 7 of this section.

11. All revenues received by the commission from license fees and any reimbursements associated with the administration of the provisions of sections 313.425 to 313.437, and all interest earned thereon, shall be considered administrative expenses and shall be deposited in the state lottery fund. Moneys deposited into the state lottery fund from license fees and any reimbursements of commission administrative expenses to administer sections 313.425 to 313.437 shall be considered administrative expenses and shall not be considered net proceeds under Article III, Section 39(b) of the Constitution of Missouri. Subject to appropriation, up to one percent of such license fees shall be deposited to the credit of the compulsive gamblers fund created under section 313.842. The remainder of the moneys deposited in the state lottery fund from video lottery game license fees and any reimbursements of commission administrative expenses to enforce sections 313.425 to 313.437 shall, subject to appropriation, be used for administrative expenses associated with supervising and enforcing the provisions of sections 313.425 to 313.437.

12. The commission shall contract with a state law enforcement entity to assist in conducting investigations into applicants for any video lottery game license and to investigate violations by any retail lottery game licensee of any of the provisions of sections 313.425 to 313.437 or state law regulating illegal gambling activities referred by

the commission. A video lottery game licensee suspected of a violation shall be afforded an administrative hearing by the director of the state lottery on the record, and an appeal of any action taken to impose a fine on such licensee, or to suspend or revoke the ability of a licensee to offer lottery game products for sale, shall be to the commission. Any such administrative suspension or revocation upheld by the commission may be appealed by the video lottery game licensee in a state court of competent jurisdiction.

13. The possession or use of any video gaming terminal, machine, or device capable of simulating lottery games, games of chance, or gambling games, regardless of whether there is an element of skill involved, that uses a video display and microprocessor capable of randomly generating the outcome of such games in the possession of any video lottery game licensee that is not authorized by the commission or the Missouri gaming commission established under section 313.004 shall be a violation of chapter 572 and shall be prosecuted as an illegal gambling activity. The commission shall have the power to investigate suspected violations by any lottery license holder and to refer any violations or suspected violations to the appropriate law enforcement authority. Any person, lottery vendor, or licensee that violates the provisions of this subsection shall be deemed guilty of a class D felony and fined up to ten thousand dollars per occurrence, and such fines shall be deposited in the compulsive gamblers fund created under section 313.842. The commission shall suspend or revoke the license of any lottery vendor or licensee that allows the use of any video terminal, gambling machine, or device other than a video lottery game terminal authorized under sections 313.425 to 313.437.

14. The commission shall adopt rules for the implementation of the video lottery game system authorized under sections 313.425 to 313.437 including, but not limited to, the placement of video lottery game terminals within a retail establishment and the active oversight of the conduct of video lottery games. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section shall be invalid and void.

313.431. In order to expedite the orderly implementation of the video lottery game system authorized under sections 313.425 to 313.437, the commission shall:

3 **(1) Contract for the supply and operation of a centralized computer system for**
4 **video lottery games no later than one hundred twenty days after the effective date of this**
5 **section;**

6 **(2) Make license applications for video lottery game manufacturers, video**
7 **lottery game distributors, video lottery game operators, video lottery game retailers,**
8 **and video lottery game handlers available to applicants and accept such applications**
9 **and promulgate any emergency or regular rules and regulations needed for the**
10 **implementation of the video lottery system authorized under sections 313.425 to 313.437**
11 **no later than one hundred twenty days after the effective date of this section;**

12 **(3) Issue an approved form for persons applying for a video lottery game**
13 **terminal operator's license available for use in contracting with a video lottery game**
14 **retailer no later than one hundred twenty days of the effective date of this section;**

15 **(4) Establish a start date, once applications and the approved contract form are**
16 **made available, whereby any person seeking a license as a video lottery game operator**
17 **that has applied for a license to be a video lottery game terminal operator, has paid the**
18 **initial license fee, and has satisfactorily completed an initial criminal background check**
19 **may begin soliciting contracts with prospective video lottery game retailers for the**
20 **placement of video lottery terminals. Such date shall be set no more than sixty days**
21 **after applications are made available; and**

22 **(5) Approve or deny any completed establishment application no more than**
23 **ninety days after such an application has been received.**

313.433. 1. Notwithstanding any provision of law to the contrary, participation
2 **by a person, firm, corporation, or organization in any aspect of the state lottery under**
3 **sections 313.425 to 313.437 shall not be construed to be a lottery or gift enterprise in**
4 **violation of Article III, Section 39 of the Constitution of Missouri.**

5 **2. The sale of lottery tickets, shares, or lottery game plays using a video lottery**
6 **game terminal under sections 313.425 to 313.437 shall not constitute a valid reason to**
7 **refuse to issue or renew or to revoke or suspend any license or permit issued under the**
8 **provisions of chapter 311.**

313.434. 1. The state of Missouri shall be exempt from the provisions of 15
2 **U.S.C. Section 1172, as amended.**

3 **2. All shipments of gaming devices used to conduct pull-tab games or video**
4 **lottery games authorized under sections 313.425 to 313.437 to licensees, the registering,**
5 **recording, and labeling of which have been completed by the manufacturer or**
6 **distributor thereof in accordance with 15 U.S.C. Sections 1171 to 1178, as amended,**
7 **shall be legal shipments of gambling devices into this state.**

313.435. Within the limits of such county within one hundred eighty days after the effective date of this section a county may adopt an ordinance prohibiting video lottery game terminals. Within one hundred eighty days after the effective date of this section a county commission may, for the unincorporated area of the county, adopt an ordinance prohibiting video lottery game terminals within the unincorporated area of the county. The commission shall not license video lottery game retailers within the area covered by such an ordinance. Any such county that has opted to prohibit video lottery game terminals may repeal such ordinance and upon such repeal, the commission may license video lottery game retailers within such county to conduct video lottery games.

313.437. If any provision of sections 313.425 to 313.437 or the application thereof to anyone or to any circumstance is held invalid, the remainder of those sections and the application of such provisions to other individuals or other circumstances shall not be affected thereby.

313.800. 1. As used in sections 313.800 to 313.850, unless the context clearly requires otherwise, the following terms mean:

(1) "Adjusted gross receipts", the gross receipts from licensed gambling games and devices less winnings paid to wagerers. **"Adjusted gross receipts" shall not include adjusted gross receipts from sports wagering as defined in section 313.1000;**

(2) "Applicant", any person applying for a license authorized under the provisions of sections 313.800 to 313.850;

(3) "Bank", the elevations of ground which confine the waters of the Mississippi or Missouri Rivers at the ordinary high water mark as defined by common law;

(4) "Capital, cultural, and special law enforcement purpose expenditures" shall include any disbursement, including disbursements for principal, interest, and costs of issuance and trustee administration related to any indebtedness, for the acquisition of land, land improvements, buildings and building improvements, vehicles, machinery, equipment, works of art, intersections, signing, signalization, parking lot, bus stop, station, garage, terminal, hanger, shelter, dock, wharf, rest area, river port, airport, light rail, railroad, other mass transit, pedestrian shopping malls and plazas, parks, lawns, trees, and other landscape, convention center, roads, traffic control devices, sidewalks, alleys, ramps, tunnels, overpasses and underpasses, utilities, streetscape, lighting, trash receptacles, marquees, paintings, murals, fountains, sculptures, water and sewer systems, dams, drainage systems, creek bank restoration, any asset with a useful life greater than one year, cultural events, and any expenditure related to a law enforcement officer deployed as horse-mounted patrol, school resource or drug awareness resistance education (D.A.R.E) officer;

(5) "Cheat", to alter the selection of criteria which determine the result of a gambling game or the amount or frequency of payment in a gambling game;

25 (6) "Commission", the Missouri gaming commission;

26 (7) "Credit instrument", a written check, negotiable instrument, automatic bank draft
27 or other authorization from a qualified person to an excursion gambling boat licensee or any
28 of its affiliated companies licensed by the commission authorizing the licensee to withdraw
29 the amount of credit extended by the licensee to such person from the qualified person's
30 banking account in an amount determined under section 313.817 on or after a date certain of
31 not more than thirty days from the date the credit was extended, and includes any such writing
32 taken in consolidation, redemption or payment of a previous credit instrument, but does not
33 include any interest-bearing installment loan or other extension of credit secured by
34 collateral;

35 (8) "Dock", the location in a city or county authorized under subsection 10 of section
36 313.812 which contains any natural or artificial space, inlet, hollow, or basin, in or adjacent to
37 a bank of the Mississippi or Missouri Rivers, next to a wharf or landing devoted to the
38 embarking of passengers on and disembarking of passengers from a gambling excursion but
39 shall not include any artificial space created after May 20, 1994, and is located more than one
40 thousand feet from the closest edge of the main channel of the river as established by the
41 United States Army Corps of Engineers;

42 (9) "Excursion gambling boat", a boat, ferry, other floating facility, or any nonfloating
43 facility licensed by the commission on which gambling games are allowed;

44 (10) "Fiscal year", the fiscal year of a home dock city or county;

45 (11) "Floating facility", any facility built or originally built as a boat, ferry or barge
46 licensed by the commission on which gambling games are allowed;

47 (12) "Gambling excursion", the time during which gambling games may be operated
48 on an excursion gambling boat whether docked or during a cruise;

49 (13) "Gambling game" includes, but is not limited to, games of skill or games of
50 chance on an excursion gambling boat ~~[but does not include gambling on sporting events];~~
51 provided such games of chance are approved by amendment to the Missouri Constitution;

52 (14) "Games of chance", any gambling game in which the player's expected return is
53 not favorably increased by the player's reason, foresight, dexterity, sagacity, design,
54 information or strategy;

55 (15) "Games of skill", any gambling game in which there is an opportunity for the
56 player to use the player's reason, foresight, dexterity, sagacity, design, information or strategy
57 to favorably increase the player's expected return; including, but not limited to, the gambling
58 games known as "poker", "blackjack" (twenty-one), "craps", "Caribbean stud", "pai gow
59 poker", "Texas hold'em", "double down stud", **"sports wagering"**, and any video
60 representation of such games;

61 (16) "Gross receipts", the total sums wagered by patrons of licensed gambling games.
62 **"Gross receipts" shall not include gross receipts from sports wagering, as defined in**
63 **section 313.1000;**

64 (17) "Holder of occupational license", a person licensed by the commission to
65 perform an occupation within excursion gambling boat operations which the commission has
66 identified as requiring a license;

67 (18) "Licensee", any person licensed under sections 313.800 to 313.850;

68 (19) "Mississippi River" and "Missouri River", the water, bed and banks of those
69 rivers, including any space filled wholly or partially by the water of those rivers in a manner
70 approved by the commission but shall not include any artificial space created after May 20,
71 1994, and is located more than one thousand feet from the closest edge of the main channel of
72 the river as established by the United States Army Corps of Engineers;

73 (20) "Nonfloating facility", any structure within one thousand feet of the Missouri or
74 Mississippi River that contains at least two thousand gallons of water beneath or inside the
75 facility either by an enclosed space containing such water or in rigid or semirigid storage
76 containers or structures;

77 (21) "Supplier", a person who sells or leases gambling equipment and gambling
78 supplies to any licensee.

79 2. (1) In addition to the games of skill defined in this section, the commission may
80 approve other games of skill upon receiving a petition requesting approval of a gambling
81 game from any applicant or licensee. The commission may set the matter for hearing by
82 serving the applicant or licensee with written notice of the time and place of the hearing not
83 less than five days prior to the date of the hearing and posting a public notice at each
84 commission office. The commission shall require the applicant or licensee to pay the cost of
85 placing a notice in a newspaper of general circulation in the applicant's or licensee's home
86 dock city or county. The burden of proof that the gambling game is a game of skill is at all
87 times on the petitioner. The petitioner shall have the affirmative responsibility of establishing
88 the petitioner's case by a preponderance of evidence including:

89 (a) Is it in the best interest of gaming to allow the game; and

90 (b) Is the gambling game a game of chance or a game of skill?

91 (2) All testimony shall be given under oath or affirmation. Any citizen of this state
92 shall have the opportunity to testify on the merits of the petition. The commission may
93 subpoena witnesses to offer expert testimony. Upon conclusion of the hearing, the
94 commission shall evaluate the record of the hearing and issue written findings of fact that
95 shall be based exclusively on the evidence and on matters officially noticed. The commission
96 shall then render a written decision on the merits which shall contain findings of fact,
97 conclusions of law and a final commission order. The final commission order shall be within

98 thirty days of the hearing. Copies of the final commission order shall be served on the
99 petitioner by certified or overnight express mail, postage prepaid, or by personal delivery.

**313.1000. 1. As used in sections 313.1000 to 313.1022, the following terms shall
2 mean:**

3 **(1) "Adjusted gross receipts", the total of all cash and cash equivalents received**
4 **by a sports wagering operator from sports wagering minus the total of:**

5 **(a) All cash and cash equivalents paid out as winnings to sports wagering**
6 **patrons;**

7 **(b) The actual costs paid by a sports wagering operator for any personal**
8 **property or services distributed to sports wagering patrons as prizes;**

9 **(c) Excise tax payments remitted to the federal government;**

10 **(d) Voided or cancelled wagers;**

11 **(e) Free play or promotional credits; and**

12 **(f) Uncollectible sports wagering receivables, not to exceed the lesser of:**

13 **a. A reasonable provision for uncollectible patron checks, Automated Clearing**
14 **House (ACH) transactions, debit card transactions, and credit card transactions**
15 **received from sports wagering operations; or**

16 **b. Two percent of the total of all sums, including checks, whether collected, less**
17 **the amount paid out as winnings to sports wagering patrons. For purposes of this**
18 **section, a counter or personal check that is invalid or unenforceable under this section is**
19 **considered cash received by the sports wagering operator from sports wagering**
20 **operations;**

21

22 **If the amount of adjusted gross receipts on a gaming day is a negative figure, the**
23 **certificate holder shall remit no sports wagering tax for that gaming day. Any negative**
24 **adjusted gross receipts shall be carried over and calculated as a deduction on the**
25 **subsequent gaming days until the negative figure has been brought to a zero balance;**

26 **(2) "Amateur athletic or sporting event", an athletic event involving at least two**
27 **competitors who do not receive compensation for participating in such event. "Amateur**
28 **athletic or sporting event" includes domestic, international, and Olympic sports events.**
29 **"Amateur athletic or sporting event" does not include any collegiate athletic or sporting**
30 **event;**

31 **(3) "Certificate holder", a licensed applicant issued a certificate of authority by**
32 **the commission;**

33 **(4) "Certificate of authority", a certificate issued by the commission authorizing**
34 **a licensed applicant to conduct sports wagering under sections 313.1000 to 313.1022;**

- 35 (5) "Collegiate athletic or sporting event", an athletic or sporting event offered
36 or sponsored by, or played in connection with, a public or private institution that offers
37 educational services beyond the secondary level;
- 38 (6) "Commission", the Missouri gaming commission;
- 39 (7) "Covered person", athletes; umpires, referees, and officials; personnel
40 associated with clubs, teams, leagues, and athletic associations; medical professionals
41 and athletic trainers who provide services to athletes and players; and the immediate
42 family members and associates of such persons;
- 43 (8) "Department", the department of revenue;
- 44 (9) "Esports", athletic and sporting events involving electronic sports and
45 competitive video games;
- 46 (10) "Excursion gambling boat", the same meaning as defined under section
47 313.800;
- 48 (11) "Gross receipts", the total amount of cash and cash equivalents paid by
49 sports wagering patrons to a sports wagering operator to participate in sports wagering;
- 50 (12) "Interactive sports wagering platform" or "platform", a person that offers
51 sports wagering over the internet, including on websites and mobile devices, on behalf of
52 a certificate holder;
- 53 (13) "Licensed applicant", a person holding a license issued under section
54 313.807 to operate an excursion gambling boat;
- 55 (14) "Licensed facility", an excursion gambling boat licensed under this chapter;
- 56 (15) "Licensed supplier", a person holding a supplier's license issued by the
57 commission;
- 58 (16) "Occupational license", a license issued by the commission;
- 59 (17) "Person", an individual, sole proprietorship, partnership, association,
60 fiduciary, corporation, limited liability company, or any other business entity;
- 61 (18) "Personal biometric data", any information about an athlete that is derived
62 from such person's DNA, heart rate, blood pressure, perspiration rate, internal or
63 external body temperature, hormone levels, glucose levels, hydration levels, vitamin
64 levels, bone density, muscle density, or sleep patterns or other information as may be
65 prescribed by the regulating entity by regulation;
- 66 (19) "Professional athletic or sporting event", an athletic or sporting event at
67 which two or more competitors participate and one or more competitors receive
68 compensation;
- 69 (20) "Prohibited conduct", any statement, action, and other communication
70 intended to influence, manipulate, or control a betting outcome of a sporting contest or
71 of any individual occurrence or performance in a sporting contest in exchange for

72 financial gain or to avoid financial or physical harm. "Prohibited conduct" includes
73 statements, actions, and communications made to a covered person by a third party,
74 such as a family member or through social media. "Prohibited conduct" does not
75 include statements, actions, or communications made or sanctioned by a team or sports
76 governing body;

77 (21) "Sports event", "sporting event", or "athletic event", a professional athletic
78 or sporting event, an amateur athletic or sporting event, a collegiate athletic or sporting
79 event, or any athletic event, motor race event, electronic sports event, or competitive
80 video game event where the majority of participants are eighteen years of age or older;

81 (22) "Sports governing body", an organization, headquartered in the United
82 States, that prescribes rules and enforces codes of conduct with respect to professional
83 sports events and participants therein, and, at a minimum, includes the professional
84 sports associations that represent professional athletes. "Sports governing body"
85 includes a designee of the sports governing body;

86 (23) "Sports wagering", wagering conducted under sections 313.1000 to
87 313.1022 on athletic and sporting events involving human competitors including, but not
88 limited to, esports, or on other events as approved by the commission. "Sports
89 wagering" shall not include moneys spent to participate in paid fantasy sports under
90 sections 313.900 to 313.955;

91 (24) "Sports wagering device", a mechanical, electrical, or computerized
92 contrivance, terminal, device, apparatus, piece of equipment, or supply approved by the
93 commission for conducting sports wagering under sections 313.1000 to 313.1022.
94 "Sports wagering device" shall not include a device used by a sports wagering patron to
95 access an interactive sports wagering platform;

96 (25) "Sports wagering operator" or "operator", a certificate holder or an
97 interactive sports wagering platform offering sports wagering on behalf of a certificate
98 holder;

99 (26) "Supplier's license", a license issued by the commission under section
100 313.807.

313.1002. 1. The state of Missouri shall be exempt from the provisions of 15
2 U.S.C. Section 1172, as amended.

3 2. All shipments of gambling devices used to conduct sports wagering under
4 sections 313.1000 to 313.1022 to licensed applicants or certificate holders, the
5 registering, recording, and labeling of which have been completed by the
6 manufacturer or dealer thereof in accordance with 15 U.S.C. Sections 1171 to 1178,
7 as amended, shall be legal shipments of gambling devices into this state.

313.1003. 1. Sports wagering shall not be offered in this state except by a
2 licensed facility.

3 2. A licensed facility may offer sports wagering:

4 (1) In person at the licensed facility; and

5 (2) Over the internet through an interactive sports wagering platform to persons
6 physically located in this state. A person may create an interactive sports wagering
7 account in person, at a licensed facility, or over the internet.

313.1004. 1. The commission shall adopt rules and regulations to implement the
2 provisions of sections 313.1000 to 313.1022. Any rule or portion of a rule, as that term is
3 defined in section 536.010, that is created under the authority delegated in this section
4 shall become effective only if it complies with and is subject to all of the provisions of
5 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
6 nonseverable, and if any of the powers vested with the general assembly pursuant to
7 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
8 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
9 proposed or adopted after August 28, 2022, shall be invalid and void.

10 2. Rules adopted under this section shall include, but not be limited to, the
11 following:

12 (1) Standards and procedures to govern the conduct of sports wagering,
13 including the manner in which:

14 (a) Wagers are received;

15 (b) Payouts are paid;

16 (2) Standards governing how a certificate holder offers sports wagering over the
17 internet through an interactive sports wagering platform to patrons physically located
18 in Missouri;

19 (3) The manner in which a certificate holder's books and financial records
20 relating to sports wagering are maintained and audited, including standards for the
21 daily counting of a certificate holder's gross receipts from sports wagering and
22 standards to ensure that internal controls are followed; and

23 (4) Standards concerning the detection and prevention of compulsive gambling.

24 3. Rules adopted under this section shall require a certificate holder to make
25 commercially reasonable efforts to do the following:

26 (1) Designate an area within the licensed facility operated by the certificate
27 holder for sports wagering conducted under sections 313.1000 to 313.1022;

28 (2) Ensure the security and integrity of sports wagers accepted through an
29 interactive sports wagering platform;

30 **(3) Ensure that the certificate holder's surveillance system covers all areas of the**
31 **licensed facility in which sports wagering is conducted;**

32 **(4) Allow the commission to be present through the commission's gaming agents**
33 **when sports wagering is conducted in all areas of the certificate holder's licensed facility**
34 **in which sports wagering is conducted to do the following:**

35 **(a) Ensure maximum security of the counting and storage of the sports wagering**
36 **revenue received by the certificate holder;**

37 **(b) Certify the sports wagering revenue received by the certificate holder; and**

38 **(c) Receive complaints from the public;**

39 **(5) Ensure that persons who are under twenty-one years of age do not make**
40 **sports wagers; and**

41 **(6) Establish house rules specifying the amounts to be paid on winning wagers,**
42 **the source of the information used to determine the outcome of wagers, the effect of**
43 **schedule changes, the circumstances under which the operator will void a bet, and the**
44 **treatment of errors, late bets, and related contingencies. The house rules shall be**
45 **displayed in the certificate holder's sports wagering area, posted on the certificate**
46 **holder's or platform's website or mobile application for interactive sports wagering, and**
47 **included in the terms and conditions of the certificate holder's or platform's interactive**
48 **sports wagering system.**

49 **4. The commission may enter into agreements with other jurisdictions to**
50 **facilitate, administer, and regulate multi-jurisdictional sports betting by sports betting**
51 **operators to the extent that entering into the agreement is consistent with state and**
52 **federal laws and the sports betting agreement is conducted only in the United States.**

313.1006. 1. A licensed applicant who wishes to offer sports wagering under
2 **sections 313.1000 to 313.1022 shall:**

3 **(1) Submit an application to the commission in the manner prescribed by the**
4 **commission for each licensed facility in which the licensed applicant wishes to conduct**
5 **sports wagering; and**

6 **(2) Pay an initial application fee of fifty thousand dollars, which shall be**
7 **deposited in the gaming commission fund and distributed according to section 313.835.**

8 **2. Upon receipt of the application and fee required under subsection 1 of this**
9 **section, the commission shall issue a certificate of authority to a licensed applicant**
10 **authorizing the licensed applicant to conduct sports wagering under sections 313.1000 to**
11 **313.1022 in a licensed facility or through an interactive sports wagering platform.**

313.1008. 1. The commission shall test new sports wagering devices and new
2 **forms, variations, or composites of sports wagering under the terms and conditions that**

3 the commission considers appropriate prior to authorizing a certificate holder to offer a
4 new sports wagering device or a new form, variation, or composite of sports wagering.

5 2. (1) A certificate holder shall designate an area or areas within the certificate
6 holder's licensed facility for conducting sports wagering.

7 (2) A certificate holder may administer or contract with up to three individually
8 branded interactive sports wagering platforms to administer interactive sports
9 wagering on the certificate holder's behalf. The certificate holder or its interactive
10 sports wagering platform provider shall have the authority to establish sports wagering
11 accounts electronically through approved mobile applications and interactive sports
12 wagering platforms.

13 3. A certificate holder shall determine the minimum and maximum wagers in
14 sports wagering conducted in the certificate holder's licensed facility.

15 4. (1) Sports wagering may be conducted with chips, tokens, electronic cards,
16 moneys, or other negotiable currency.

17 (2) Interactive sports wagering accounts may be funded through:

18 (a) Cash;

19 (b) Checks and electronic checks;

20 (c) Electronic bank transfer of funds, including transfers through third parties;

21 (d) Debit cards;

22 (e) Credit cards;

23 (f) Online and mobile payment systems that support online money transfers; and

24 (g) Any other method approved by the commission.

25 5. A sports wagering device shall be approved by the commission and acquired
26 by a certificate holder from a licensed supplier.

27 6. The commission shall determine the occupations related to sports wagering
28 that require an occupational license.

29 7. A certificate holder or an interactive sports wagering platform provider may
30 lay off one or more sports wagers.

31 8. A certificate holder may contract with a third party to conduct sports
32 wagering at an individually branded sportsbook at the certificate holder's licensed
33 facility.

313.1010. 1. An interactive sports wagering platform provider shall offer sports
2 wagering on behalf of a certificate holder only if the interactive sports wagering
3 platform holds an interactive sports wagering platform license issued by the
4 commission.

5 2. An applicant for an interactive sports wagering platform license shall:

6 (1) Submit an application to the commission in the manner prescribed by the
7 commission to verify the platform's eligibility under this section; and

8 (2) Pay an initial application fee of fifty thousand dollars.

9 3. Each year on or before the anniversary date of the payment of the initial
10 application fee under this section, an interactive sports wagering platform provider
11 holding a license issued under this section shall pay to the commission an annual license
12 renewal fee of twenty thousand dollars.

13 4. Notwithstanding any other provision of law to the contrary, the following
14 information shall be confidential and shall not be disclosed to the public unless required
15 by court order or by any other provision of sections 313.1000 to 313.1022:

16 (1) An interactive sports wagering platform license application; and

17 (2) All documents, reports, and data submitted by an interactive sports wagering
18 platform provider to the commission containing proprietary information, trade secrets,
19 financial information, or personally identifiable information about any person.

20 5. An interactive sports wagering platform provider may submit a request to the
21 commission for the issuance of a temporary interactive sports wagering platform license
22 and the immediate commencement of sports wagering operations. Such a request shall
23 include the initial application fee identified in this section. Upon receiving a request for
24 a temporary interactive sports wagering platform license, the commission shall review
25 the request. If the commission determines that the entity requesting the temporary
26 interactive sports wagering platform license offers sports wagering through an
27 interactive sports wagering platform in any jurisdiction in the United States under a
28 state regulatory structure specifically determined by the commission to have similar
29 regulatory requirements, and the entity has paid the initial application fee, the
30 commission shall authorize the interactive sports wagering platform provider to
31 conduct sports wagering on behalf of a certificate holder under a temporary interactive
32 sports wagering platform license until a final determination on the interactive sports
33 wagering platform provider's license application is made.

 313.1012. 1. A certificate holder shall make commercially reasonable efforts to
2 verify that a person placing a wager is of the legal minimum age for placing a wager
3 under sections 313.1000 to 313.1022.

4 2. The commission shall adopt rules and regulations for a sports wagering self-
5 exclusion program consistent with those adopted under sections 313.800 to 313.850.
6 Any rule or portion of a rule, as that term is defined in section 536.010, that is created
7 under the authority delegated in this section shall become effective only if it complies
8 with and is subject to all of the provisions of chapter 536 and, if applicable, section
9 536.028. This section and chapter 536 are nonseverable, and if any of the powers vested

10 with the general assembly pursuant to chapter 536 to review, to delay the effective date,
11 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant
12 of rulemaking authority and any rule proposed or adopted after August 28, 2022, shall
13 be invalid and void.

14 3. The commission shall adopt rules that require sports wagering operators to
15 make commercially reasonable efforts to ensure that advertisements for sports
16 wagering:

17 (1) Do not target minors or other persons who are ineligible to place wagers,
18 problem gamblers, or other vulnerable persons;

19 (2) Disclose the identity of the sports wagering operator;

20 (3) Provide information about or links to resources relating to gambling
21 addiction; and

22 (4) Are not otherwise false, misleading, or deceptive to a reasonable consumer.

313.1014. 1. The commission shall not grant a license, except for a temporary
2 license under section 313.1010, until the commission determines that each person that
3 has control of the applicant meets all qualifications for licensure. A background check
4 conducted under this section shall be consistent with the provisions of section 313.810
5 and shall include a search for criminal history and any charges or convictions involving
6 corruption or manipulation of sporting events. The following persons are considered to
7 have control of an applicant:

8 (1) Each corporate holding company, parent company, subsidiary company, and
9 person that owns ten percent or more of a corporate applicant and that has the ability to
10 control the activities of the corporate applicant or elect a majority of the board of
11 directors of that corporate applicant, except for a bank or other licensed lending
12 institution that holds a mortgage or other lien acquired in the ordinary course of
13 business;

14 (2) Each person associated with a noncorporate applicant that directly or
15 indirectly holds a beneficial or proprietary interest in the noncorporate applicant's
16 business operation or that the commission otherwise determines has the ability to
17 control the noncorporate applicant; and

18 (3) Key personnel of an applicant, including any executive, employee, or agent
19 having the power to exercise ultimate decision-making authority over the applicant's
20 sports wagering operation in the state of Missouri.

21 2. (1) A certificate holder shall employ commercially reasonable methods to:

22 (a) Prohibit the certificate holder; directors, officers, and employees of the
23 certificate holder; and any relative living in the same household of a person described in
24 this paragraph from placing sports wagers with that certificate holder;

25 (b) Prohibit wagering using any lists of employees and affiliates provided by the
26 commission to the certificate holder, by any athlete, coach, referee, team owner,
27 employee of a sports governing body or one of its member teams, or player or referee
28 union personnel;

29 (c) Prohibit any person with access to nonpublic confidential information held
30 by the certificate holder from placing sports wagers with that certificate holder;

31 (d) Prevent the sharing of confidential information that could affect sports
32 wagering offered by the certificate holder or by third parties until the information is
33 made publicly available; and

34 (e) Prohibit persons from placing sports wagers as agents or proxies for other
35 persons.

36 (2) Nothing in this section shall preclude the use of internet or cloud-based
37 hosting of data or any disclosure of information required by court order or other
38 provisions of law.

39 3. A certificate holder shall, within a commercially reasonable time frame or as
40 soon as practicable, report to the commission any information relating to:

41 (1) Criminal or disciplinary proceedings commenced against the certificate
42 holder in connection with its operations;

43 (2) Bets or wagers that violate state or federal law;

44 (3) Abnormal wagering activity or patterns that may indicate a concern
45 regarding the integrity of a sporting event or events;

46 (4) Any potential breach of the relevant sports governing body's internal rules
47 and codes of conduct pertaining to sports wagering that are known to the certificate
48 holder;

49 (5) Any other conduct that corrupts the wagering outcome of a sporting event or
50 events for purposes of financial gain, including match fixing; and

51 (6) Suspicious or illegal wagering activities, including using funds derived from
52 illegal activity, wagering to conceal or launder funds derived from illegal activity, using
53 agents to place wagers, and using false identification.

54 4. A certificate holder shall also immediately report information relating to
55 conduct described in subdivisions (3) to (5) of subsection 3 of this section to the relevant
56 sports governing body.

57 5. A certificate holder shall maintain the confidentiality of information provided
58 by a sports governing body to the certificate holder unless disclosure is required by
59 court order, the commission, or any other provision of law.

60 6. The following persons are prohibited from engaging in sports wagering under
61 sections 313.1000 to 313.1022:

62 (1) Any person whose participation may undermine the integrity of the betting
63 or sports event; or

64 (2) Any person who is prohibited for other good cause including, but not limited
65 to:

66 (a) Any person placing a wager as an agent or proxy;

67 (b) Any person who is an athlete, coach, referee, player, or referee personnel
68 member in or on any sports event overseen by that person's sports governing body
69 based on publicly available information;

70 (c) Any person who holds a position of authority or influence sufficient to exert
71 influence over the participants in a sporting contest including, but not limited to,
72 coaches, managers, handlers, or athletic trainers;

73 (d) Any person under twenty-one years of age;

74 (e) Any person with access to certain types of exclusive information on any
75 sports event overseen by that person's sports governing body based on publicly
76 available information; or

77 (f) Any person identified by any lists provided by the commission.

78 7. (1) An operator shall adopt procedures to prevent persons from wagering on
79 sports events who are prohibited from placing sports wagers.

80 (2) An operator shall not accept wagers from any person whose identity is
81 known to the operator and:

82 (a) Whose name appears on the exclusion list maintained by the commission;

83 (b) Who is the operator, director, officer, owner, or employee of the operator or
84 any relative thereof living in the same household as that operator;

85 (c) Who has access to nonpublic confidential information held by that operator;
86 or

87 (d) Who is an agent or proxy for any other person.

88 (3) An operator shall adopt procedures to obtain personally identifiable
89 information from any person who places any single wager of ten thousand dollars or
90 more on a sports event while physically present at a casino.

91 8. The commission and certificate holders shall cooperate with investigations
92 conducted by law enforcement agencies, including by providing or facilitating the
93 provision of relevant betting information and audio or video files relating to persons
94 placing sports wagers.

95 9. A certificate holder shall immediately report to the commission any
96 information relating to:

97 (1) Criminal or disciplinary proceedings commenced against the certificate
98 holder in connection with its operations;

99 **(2) Bets or wagers that violate state or federal law;**

100 **(3) Abnormal wagering activity or patterns that may indicate a concern**
101 **regarding the integrity of a sporting event or events;**

102 **(4) Any other conduct that corrupts the wagering outcome of a sporting event or**
103 **events for purposes of financial gain; and**

104 **(5) Suspicious or illegal wagering activities.**

105 **10. A certificate holder shall maintain the confidentiality of information**
106 **provided by a sports governing body to the certificate holder unless disclosure is**
107 **required by court order, the commission, or any other provision of law.**

108 **11. A sports governing body may submit to the commission in writing a request**
109 **to restrict, limit, or exclude a certain type, form, or category of sports wagering with**
110 **respect to sporting events of such body if the sports governing body believes that such**
111 **type, form, or category of sports wagering with respect to sporting events of such body**
112 **may undermine the integrity or perceived integrity of such body or sporting events of**
113 **such body. The commission shall request comments from sports wagering operators on**
114 **all such requests. After giving due consideration to all comments received, the**
115 **commission shall, upon a demonstration of good cause from the requester that such**
116 **type, form, or category of sports wagering is likely to undermine the integrity or**
117 **perceived integrity of such body or sporting events of such body, grant the request. The**
118 **commission shall respond to a request concerning a particular event before the start of**
119 **the event, or if it is not feasible to respond before the start of the event, no later than**
120 **seven days after the request is made. If the commission determines that the requester is**
121 **more likely than not to prevail in successfully demonstrating good cause for its request,**
122 **the commission may provisionally grant the request of the sports governing body until**
123 **the commission makes a final determination as to whether the requester has**
124 **demonstrated good cause. Absent such a provisional grant by the commission, sports**
125 **wagering operators may continue to offer sports wagering on sporting events that are**
126 **the subject of such a request during the pendency of the commission's consideration of**
127 **the applicable request.**

128 **12. On any charge involving the conduct of a professional athlete, the**
129 **commission shall give deference to rules collectively negotiated between a league and its**
130 **players association governing player safety, misuse of personal biometric data,**
131 **coordination with inquiries in other states, and the investigation and resolution of a**
132 **gambling-related charge involving a professional athlete.**

133 **13. Sports wagering operators shall ensure that their sports betting operation**
134 **takes reasonable measures to prohibit bets that are resolved using or by reference to**
135 **personal biometric data. A sports wagering operator shall not purchase or use any**

personal biometric data of an athlete unless the master sports wagering licensee has received written permission from the athlete's exclusive bargaining representative.

14. The department shall:

(1) Establish a hotline or other method of communication that allows any person to confidentially report information about prohibited conduct to the regulating entity;

(2) Investigate all reasonable allegations of prohibited conduct and refer any allegations it deems credible to the appropriate law enforcement entity;

(3) Maintain the confidentiality of the identity of any reporting person unless such person authorizes disclosure of his or her identity or until such time as the allegation of prohibited conduct is referred to law enforcement. If an allegation of prohibited conduct is referred to law enforcement, the department shall disclose a reporting person's identity only to the applicable law-enforcement agency; and

(4) Notify the appropriate sports governing body of the athlete to review the complaint if the regulating entity receives a complaint of prohibited conduct by an athlete.

The department and certificate holders shall cooperate with investigations conducted by sports governing bodies or law-enforcement agencies. Such cooperation shall include providing or facilitating the provision of account-level betting information and audio or video files relating to persons placing wagers.

313.1016. 1. A certificate holder shall maintain the following records of all bets and wagers placed on an interactive sports wagering platform, and any other bets and wagers that exceed ten thousand dollars placed in person at a licensed facility, for a period of at least three years after the sporting event occurs and shall make the data available for inspection upon request of the commission or upon a court order:

(1) Personally identifiable information of the bettor;

(2) The amount and type of bet placed;

(3) The time and date the bet was placed;

(4) The location, including specific information pertaining to the betting window or the limited mobile gaming system device, where the bet was placed;

(5) The outcome of the bet; and

(6) Any discernible pattern of abnormal betting activity by the bettor.

2. A certificate holder, for all bets and wagers placed through an interactive sports wagering platform, shall maintain the following records for a period of at least three years after the sporting event occurs:

(1) Personally identifiable information of the bettor;

(2) The amount and type of bet placed;

- 18 (3) The time and date the bet was placed;
- 19 (4) The location, including specific information pertaining to the internet
20 protocol address, where the bet was placed;
- 21 (5) The outcome of the bet; and
- 22 (6) Any discernible pattern of abnormal betting activity by the bettor.
- 23 3. Sports wagering operators shall use commercially reasonable efforts to
24 maintain in real time and at the account level anonymized information regarding a
25 bettor; amount and type of bet; the time the bet was placed; the location of the bet,
26 including the IP address if applicable; the outcome of the bet; and records of abnormal
27 betting activity. The commission may request such information in the form and manner
28 as required by rule of the commission. Nothing in this section shall require a sports
29 wagering operator to provide any information that is prohibited by federal, state, or
30 local laws or regulations, including without limitation laws and regulations relating to
31 privacy and personally identifiable information.
- 32 4. If a sports governing body has notified the commission that access to the
33 information described in subsection 2 of this section for wagers placed on sporting
34 events of such sports governing body is necessary to monitor the integrity of such body's
35 sporting events, and represents to such commission that it specifically uses such data for
36 the purpose of monitoring the integrity of sporting events of such sports governing body,
37 sports wagering operators shall share, in a commercially reasonable frequency, form,
38 and manner, with the sports governing body or its designees the same information the
39 sports wagering operator is required to maintain under this section with respect to
40 sports wagers on sporting events of such sports governing body. Sports governing
41 bodies and their designees shall only use information received under this section for
42 integrity-monitoring purposes and shall not use information received under this section
43 for any commercial or other purpose. Nothing in this section shall require a sports
44 wagering operator to provide any information that is prohibited by federal, state, or
45 local laws or regulations, including without limitation laws and regulations relating to
46 privacy and personally identifiable information.
- 47 5. A certificate holder shall make the records and data that it is required to
48 maintain under this section available for inspection upon request of the commission or
49 as required by court order.
- 50 6. (1) A certificate holder shall, as soon as is commercially reasonable, report to
51 the department any information relating to:
- 52 (a) Criminal or disciplinary proceedings commenced against the certificate
53 holder in connection with its operations in the state;

54 (b) Abnormal betting activity or patterns that may indicate a risk to the integrity
55 of a bet or wager;

56 (c) Any potential breach of a sports governing body's rules and codes of conduct
57 pertaining to sports betting, to the extent that such rules and codes of conduct are
58 provided to and known by the certificate holder;

59 (d) Any conduct that may alter the outcome of an athletic event for purposes of
60 financial gain, including match fixing; and

61 (e) Suspicious or illegal wagering activities, including using funds derived from
62 illegal activity to place bets, using bets to conceal or launder funds derived from illegal
63 activity, using agents to place bets, and using false identification to place bets.

64 (2) A certificate holder shall, as soon as is commercially practicable, report the
65 information described in paragraphs (a) to (d) of subdivision (1) of this subsection to
66 any sports governing body that may be affected by the activities described in subdivision
67 (1) of this subsection.

 313.1018. 1. The performance of any act required, or the forbearance of any act
2 prohibited, by sections 313.1000 to 313.1022 by an interactive sports wagering platform
3 provider is imputed to the certificate holder on behalf of which the platform is operating
4 and vice versa.

5 2. A certificate holder is not liable under the laws of this state to any party,
6 including patrons, for disclosing information as required under sections 313.1000 to
7 313.1022 and is not liable for refusing to disclose information unless required under
8 sections 313.1000 to 313.1022.

 313.1021. 1. A wagering tax of six and three-fourths of one percent is imposed on
2 the adjusted gross receipts received from sports wagering conducted by a certificate
3 holder under sections 313.1000 to 313.1022. If a third party is contracted to conduct
4 sports wagering at a certificate holder's licensed facility, the third party contractor shall
5 fulfill the certificate holder's duties under this section.

6 2. A certificate holder shall remit the tax imposed by subsection 1 of this section
7 to the department before the close of the business day one day prior to the last business
8 day of each month for the wagering taxes collected for such month. Any taxes collected
9 during the month, but after the day on which the taxes are required to be paid to the
10 department, shall be paid to the department at the same time the following month's
11 taxes are due.

12 3. The payment of the tax under this section shall be by an electronic funds
13 transfer by an automated clearinghouse.

14 **4. Revenues received from the tax imposed under subsection 1 of this section**
15 **shall be deposited in the state treasury to the credit of the "Gaming Proceeds for**
16 **Education Fund" and shall be distributed as provided under section 313.822.**

17 **5. (1) A certificate holder shall pay to the commission an annual administrative**
18 **fee of fifty thousand dollars. The fee imposed shall be due one year after the date on**
19 **which the certificate holder commences sports wagering operations under sections**
20 **313.1000 to 313.1022 and on each anniversary date thereafter. The commission shall**
21 **deposit the administrative fees received under this subdivision in the sports wagering**
22 **fund established in this subsection.**

23 **(2) In addition to the annual administrative fee required in this subsection, a**
24 **certificate holder shall pay to the commission a fee of ten thousand dollars to cover the**
25 **costs of a renewal investigation of the certificate holder in the fifth year after the date on**
26 **which the certificate holder commences sports wagering operations under sections**
27 **313.1000 to 313.1022 and on each fifth year thereafter. The commission shall deposit the**
28 **fees received under this subdivision in the sports wagering fund established in this**
29 **subsection.**

30 **(3) (a) There is hereby created in the state treasury the "Sports Wagering**
31 **Fund", which shall consist of moneys collected under this subsection, except that subject**
32 **to appropriation, one percent of such moneys shall be appropriated to the player**
33 **benevolence fund created pursuant to the provisions of section 313.1024. The state**
34 **treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180,**
35 **the state treasurer may approve disbursements. The fund shall be a dedicated fund and,**
36 **upon appropriation, moneys in the fund shall be used solely as provided in this**
37 **subsection.**

38 **(b) Notwithstanding the provisions of section 33.080 to the contrary, any moneys**
39 **remaining in the fund at the end of the biennium shall not revert to the credit of the**
40 **general revenue fund.**

41 **(c) The state treasurer shall invest moneys in the fund in the same manner as**
42 **other funds are invested. Any interest and moneys earned on such investments shall be**
43 **credited to the fund.**

313.1022. All sports wagers authorized under sections 313.1000 to 313.1022 shall
2 **be deemed initiated, received, and otherwise made on the property of an excursion**
3 **gambling boat within this state. Consistent with the intent of the United States Congress**
4 **as articulated in the Unlawful Internet Gambling Enforcement Act of 2006, 31 U.S.C.**
5 **Sections 5361 to 5367, as amended, the intermediate routing of electronic data relating**
6 **to lawful intrastate sports wagers authorized under sections 313.1000 to 313.1022 shall**

7 not determine the location or locations in which such wagers are initiated, received, or
8 otherwise made.

313.1024. 1. (1) There is hereby created the "Player Benevolence Fund", which
2 shall consist of one percent of sports wagering revenue moneys collected under
3 subsection 5 of section 313.1021. Such moneys shall be submitted to the Missouri
4 gaming commission and credited to the "Player Benevolence Fund", which is hereby
5 established within the department of public services. The fund shall be a dedicated fund
6 and moneys in this fund shall be used solely as provided in this section.

7 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
8 remaining in the fund at the end of the biennium shall not revert to the credit of the
9 general revenue fund.

10 2. The commission shall make distributions from the player benevolence fund
11 upon receipt and review of recommendations from the player benevolence fund
12 advisory committee established in subsection 3 and without further appropriation.

13 3. There shall be established a player benevolence fund advisory committee
14 consisting of nine members, appointed as follows:

- 15 (1) One designee of the governor with such designee serving as chair;
- 16 (2) One designee of the treasurer and receiver general;
- 17 (3) One designee of the president pro tempore of the senate;
- 18 (4) One designee of the speaker of the house of representatives;
- 19 (5) One designee of the National Football League Players Association;
- 20 (6) One designee of the Major League Baseball Players Association;
- 21 (7) One designee of the National Basketball Players Association;
- 22 (8) One designee of the National Hockey League Players Association; and
- 23 (9) One designee of the Major League Soccer Players Association.

24 4. The player benevolence fund advisory committee shall convene and make
25 recommendations to the commission for distribution of funds from the player
26 benevolence fund in a method to be determined by said committee. The committee
27 shall recommend to the commission a distribution schedule for funds deposited in the
28 player benevolence fund to organizations that benefit current and former professional
29 sports players or their charitable foundations. In developing its recommendations, the
30 advisory committee shall consider organizations involved in medical research related to
31 athletic participation, delivery of literacy and other academic assistance to
32 disadvantaged and underserved youth populations, financial literacy and education,
33 and other organizations as the committee may deem appropriate.

34 **5. Upon adoption, the committee shall submit its recommendations to the**
35 **commission, the secretary of the senate, and the chief clerk of the house of**
36 **representatives no later than one year after enactment of this section.**

 572.015. Nothing in this chapter prohibits constitutionally authorized activities under
2 Article III, Sections 39(a) to 39(f) of the Missouri Constitution **including, but not limited to,**
3 **a raffle using tickets, a device, or a machine, where a person or persons buy one or more**
4 **chances from a finite number of draws for a prize. To qualify for use in a raffle, a**
5 **machine or device shall be certified as a raffle machine or device by an ISO-17025-**
6 **accredited independent testing laboratory authorized to test similar machines or devices**
7 **for compliance in at least five jurisdictions.**

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